

105TH CONGRESS
2D SESSION

S. 2407

To amend the Small Business Act and the Small Business Investment Act of 1958 to improve the programs of the Small Business Administration.

IN THE SENATE OF THE UNITED STATES

JULY 31, 1998

Mr. BOND (for himself, Mr. COVERDELL, Mr. DOMENICI, Mr. KEMPTHORNE, and Ms. SNOWE) introduced the following bill; which was read twice and referred to the Committee on Small Business

A BILL

To amend the Small Business Act and the Small Business Investment Act of 1958 to improve the programs of the Small Business Administration.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Pro-
5 grams Restructuring and Reform Act of 1998”.

6 **SEC. 2. WOMEN’S BUSINESS CENTER PROGRAM.**

7 (a) FINDINGS.—Congress finds that—

8 (1) with small business concerns owned and
9 controlled by women being created at a rapid rate in

1 the United States, there is a need to increase the
 2 authorization level for the women’s business center
 3 program under section 29 of the Small Business Act
 4 (15 U.S.C. 656) in order to establish additional
 5 women’s business center sites throughout the Nation
 6 that focus on entrepreneurial training programs for
 7 women; and

8 (2) increased funding for the women’s business
 9 center program will ensure that—

10 (A) new women’s business center sites can
 11 be established to reach women located in geo-
 12 graphic areas not presently served by an exist-
 13 ing women’s business center without jeopardiz-
 14 ing the full funding of existing women’s busi-
 15 ness centers for the term prescribed by law; and

16 (B) the Small Business Administration
 17 achieves the goal of establishing at least 1 sus-
 18 tainable women’s business center in each State.

19 (b) AUTHORIZATION OF APPROPRIATIONS.—

20 (1) IN GENERAL.—Section 29(k)(1) of the
 21 Small Business Act (15 U.S.C. 656(k)(1)) is amend-
 22 ed to read as follows:

23 “(1) AUTHORIZATION.—There is authorized to
 24 be appropriated to carry out this section,

1 \$12,000,000 for fiscal year 1999 and each fiscal
2 year thereafter.”.

3 (2) EFFECTIVE DATE.—The amendment made
4 by this subsection shall take effect on October 1,
5 1998.

6 (c) TERMS OF ASSISTANCE.—

7 (1) IN GENERAL.—Section 308(b) of the Small
8 Business Reauthorization Act of 1997 (15 U.S.C.
9 656 note) is amended—

10 (A) by striking “(b)” and all that follows
11 through “paragraph (2), any organization” and
12 inserting the following:

13 “(b) APPLICABILITY.—Any organization”; and

14 (B) by striking paragraph (2).

15 (2) EFFECTIVE DATE.—The amendment made
16 by this subsection shall take effect as if included in
17 the enactment of the Small Business Reauthoriza-
18 tion Act of 1997.

19 (d) GENERAL ACCOUNTING OFFICE REPORTING RE-
20 QUIREMENTS.—

21 (1) BASELINE REPORT.—Not later than Octo-
22 ber 31, 1999, the Comptroller General of the United
23 States shall—

24 (A) conduct a review of the administration
25 of the women’s business center program under

1 section 29 of the Small Business Act (15
2 U.S.C. 656) by the Office of Women's Business
3 Ownership of the Small Business Administra-
4 tion, which shall include an analysis of—

5 (i) the operation of the women's busi-
6 ness center program by the Administra-
7 tion;

8 (ii) the efforts of the Administration
9 to meet the legislative objectives estab-
10 lished for the program;

11 (iii) the oversight role of the Adminis-
12 tration of the operations of women's busi-
13 ness centers;

14 (iv) the manner in which the women's
15 business centers operate;

16 (v) the benefits provided by the wom-
17 en's business centers to small business con-
18 cerns owned and controlled by women; and

19 (vi) any other matters that the Comp-
20 troller General determines to be appro-
21 priate; and

22 (B) submit to the Committees on Small
23 Business of the Senate and House of Rep-
24 resentatives a report describing the results of
25 the review under subparagraph (A).

1 (2) FOLLOWUP REPORT.—Not later than Octo-
2 ber 31, 2002, the Comptroller General of the United
3 States shall—

4 (A) conduct a review of any changes, dur-
5 ing the period beginning on the date on which
6 the report is submitted under paragraph (1)(B)
7 and ending on the date on which the report is
8 submitted under subparagraph (B) of this para-
9 graph, in the administration of the women’s
10 business center program under section 29 of
11 the Small Business Act (15 U.S.C. 656) by the
12 Office of Women’s Business Ownership of the
13 Small Business Administration, which shall in-
14 clude an analysis of any changes during that
15 period in—

16 (i) the operation of the women’s busi-
17 ness center program by the Administra-
18 tion;

19 (ii) the efforts of the Administration
20 to meet the legislative objectives estab-
21 lished for the program;

22 (iii) the oversight role of the Adminis-
23 tration of the operations of women’s busi-
24 ness centers;

1 (iv) the manner in which the women's
2 business centers operate;

3 (v) the benefits provided by the wom-
4 en's business centers to small business con-
5 cerns owned and controlled by women; and

6 (vi) any other matters that the Comp-
7 troller General determines to be appro-
8 priate; and

9 (B) submit to the Committees on Small
10 Business of the Senate and House of Rep-
11 resentatives a report describing the results of
12 the review under subparagraph (A).

13 **SEC. 3. SBIR PROGRAM.**

14 (a) ASSISTIVE TECHNOLOGY.—Section 9(c) of the
15 Small Business Act (15 U.S.C. 638(c)) is amended by
16 adding at the end the following: “In order to carry out
17 the purposes of this section, the Administration shall, to
18 the maximum extent practicable, encourage Federal agen-
19 cies to fund programs for the research and development
20 of assistive and universally designed technology that is de-
21 signed to result in the availability of new products for indi-
22 viduals with disabilities (as defined in section 3 of the
23 Americans with Disabilities Act of 1990 (42 U.S.C.
24 12102)).”.

1 (b) FEDERAL AGENCY EXPENDITURES FOR THE
 2 SBIR PROGRAM.—

3 (1) REQUIRED EXPENDITURE AMOUNTS; DEFINITION OF EXTRAMURAL BUDGET.—Section 9(f)(1)
 4 of the Small Business Act (15 U.S.C. 638(f)(1)) is
 5 amended—
 6

7 (A) by striking subparagraphs (A) through
 8 (C) and inserting the following:

9 “(A) not less than 2.5 percent of that
 10 budget in each of fiscal years 1999 and 2000;

11 “(B) not less than 2.75 percent of that
 12 budget in fiscal year 2001;

13 “(C) not less than 3 percent of that budget
 14 in fiscal year 2002;

15 “(D) not less than 3.25 percent of that
 16 budget in fiscal year 2003; and

17 “(E) not less than 3.5 percent of that
 18 budget in each fiscal year thereafter;” and

19 (B) by adding at the end the following:
 20 “Notwithstanding any other provision of law,
 21 any rule, regulation, or order promulgated by
 22 the Director of the Office of Management and
 23 Budget relating to the definition of the term
 24 ‘extramural budget’ in subsection (e)(1) shall,
 25 except with respect to the Federal agencies spe-

cifically identified in that subsection, apply uniformly to all departments and agencies of the Federal Government that are subject to the requirements of this section.”.

(2) LIMITATIONS RELATING TO ADMINISTRATIVE COSTS.—Section 9(f)(2) of the Small Business Act (15 U.S.C. 638(f)(2)(A)) is amended—

(1) in the matter preceding subparagraph (A), by striking “A Federal agency” and inserting “In any fiscal year, a Federal agency”; and

(2) in subparagraph (A)—

(A) by striking “any of” and inserting “more than the lesser of \$2,000,000 or 2 percent of”; and

(B) by inserting “, funding program outreach for States receiving 25 or fewer awards in that fiscal year, and funding increased activities to promote commercialization of SBIR awards, of which not less than one-third shall be used to support program outreach” before the semicolon.

(d) REPEAL OF TERMINATION PROVISION.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended by striking subsection (m) and inserting the following:

“(m) [Reserved].”.

1 **SEC. 4. SBIC PROGRAM.**

2 Section 308(i)(2) of the Small Business Investment
 3 Act of 1958 (15 U.S.C. 687(i)(2)) is amended by adding
 4 at the end the following: “In this paragraph, the term ‘in-
 5 terest’ includes only the maximum mandatory sum, ex-
 6 pressed in dollars or as a percentage rate, that is payable
 7 with respect to the business loan amount received by the
 8 small business concern, and does not include the value,
 9 if any, of contingent obligations, including warrants, roy-
 10 alty, or conversion rights, granting the small business in-
 11 vestment company an ownership interest in the equity or
 12 future revenue of the small business concern receiving the
 13 business loan.”.

14 **SEC. 5. CERTIFIED DEVELOPMENT COMPANY PROGRAM.**

15 (a) IN GENERAL.—Title V of the Small Business In-
 16 vestment Act of 1958 (15 U.S.C. 695 et seq.) is amended
 17 by adding at the end the following:

18 **“SEC. 510. FORECLOSURE AND LIQUIDATION OF LOANS.**

19 “(a) IN GENERAL.—The Administration shall au-
 20 thorize qualified State and local development companies
 21 (as defined in section 503(e)) that meet the requirements
 22 of subsection (b) to foreclose and liquidate loans in the
 23 portfolios of those companies that are funded with the pro-
 24 ceeds of debentures guaranteed by the Administration
 25 under section 503.

1 “(b) REQUIREMENTS.—The requirements of this sub-
2 section are that—

3 “(1) the qualified State or local development
4 company—

5 “(A) participated in the loan liquidation
6 pilot program established by section 204 of the
7 Small Business Programs Improvement Act of
8 1996 (15 U.S.C. 695 note), as in effect on the
9 day before the promulgation of final regulations
10 by the Administration implementing this sec-
11 tion; or

12 “(B) is participating in the Accredited
13 Lenders Program under section 507 or the Pre-
14 mier Certified Lenders Program under section
15 508; or

16 “(2)(A) during the 3 most recent fiscal years,
17 the qualified State or local development company
18 has made an average of not less than 10 loans per
19 year that are funded with the proceeds of debentures
20 guaranteed under section 503; and

21 “(B) 1 or more of the employees of the quali-
22 fied State or local development company have—

23 “(i) not less than 1 year of experience in
24 administering the liquidation and workout of
25 problem loans secured in a manner substan-

1 tially similar to loans funded with the proceeds
2 of debentures guaranteed under section 503; or

3 “(ii) completed a training program on loan
4 liquidation developed by the Administration in
5 conjunction with qualified State and local devel-
6 opment companies that meet the requirements
7 of this subsection.

8 “(c) AUTHORITY OF DEVELOPMENT COMPANIES.—

9 “(1) IN GENERAL.—Each qualified State or
10 local development company authorized to foreclose
11 and liquidate loans under this section shall, with re-
12 spect to any loan described in subsection (a) in the
13 portfolio of the development company that is in de-
14 fault—

15 “(A) perform all liquidation and fore-
16 closure functions, including the purchase of any
17 other indebtedness secured by the property se-
18 curing the loan, in a reasonable and sound
19 manner and according to commercially accepted
20 practices, pursuant to a liquidation plan, which
21 shall be approved in advance by the Administra-
22 tion in accordance with paragraph (2)(A);

23 “(B) litigate any matter relating to the
24 performance of the functions described in sub-
25 paragraph (A), except that the Administration

1 may monitor the conduct of any such litigation
2 to which the qualified State or local develop-
3 ment company is a party; and

4 “(C) take other appropriate actions to
5 mitigate loan losses in lieu of total liquidation
6 or foreclosure, including restructuring the loan,
7 which such actions shall be in accordance with
8 prudent loan servicing practices and pursuant
9 to a workout plan, which shall be approved in
10 advance by the Administration in accordance
11 with paragraph (2)(C).

12 “(2) ADMINISTRATION APPROVAL.—

13 “(A) LIQUIDATION PLAN.—In carrying out
14 paragraph (1), a qualified State or local devel-
15 opment company shall submit to the Adminis-
16 tration a proposed liquidation plan. Any request
17 under this subparagraph shall be approved or
18 denied by the Administration not later than 10
19 business days after the date on which the re-
20 quest is submitted. If the Administration does
21 not approve or deny a request for approval of
22 a liquidation plan before the expiration of the
23 10-business day period beginning on the date
24 on which the request is submitted, the request
25 shall be considered to be approved.

1 “(B) PURCHASE OF INDEBTEDNESS.—In
2 carrying out paragraph (1)(A), a qualified State
3 or local development company shall submit to
4 the Administration a request for written ap-
5 proval from the Administration before commit-
6 ting the Administration to purchase any other
7 indebtedness secured by the property securing
8 the loan at issue. Any request under this sub-
9 paragraph shall be approved or denied by the
10 Administration not later than 10 business days
11 after the date on which the request is submit-
12 ted.

13 “(C) WORKOUT PLAN.—In carrying out
14 paragraph (1)(C), a qualified State or local de-
15 velopment company may submit to the Adminis-
16 tration a proposed workout plan. Any request
17 under this subparagraph shall be approved or
18 denied by the Administration not later than 20
19 business days after the date on which the re-
20 quest is submitted. If the Administration does
21 not approve or deny a request for approval of
22 a workout plan before expiration of the 20-busi-
23 ness day period beginning on the date on which
24 the request is submitted, the request shall be
25 considered to be approved.

1 “(3) CONFLICT OF INTEREST.—A qualified
 2 State or local development company that is liquidat-
 3 ing or foreclosing a loan under this section shall not
 4 take any action that would result in an actual or ap-
 5 parent conflict of interest between the qualified
 6 State or local development company, or any em-
 7 ployee thereof, and any third party lender, associate
 8 of a third party lender, or any other person partici-
 9 pating in any manner in the liquidation or fore-
 10 closure of the loan.

11 “(d) SUSPENSION OR REVOCATION OF AUTHOR-
 12 ITY.—The authority of a qualified State or local develop-
 13 ment company to foreclose and liquidate loans under this
 14 section may be suspended or revoked by the Administra-
 15 tion, if the Administration determines that the qualified
 16 State or local development company—

17 “(1) does not meet the requirements of sub-
 18 section (b); or

19 “(2) has failed to comply with any requirement
 20 of this section or any applicable rule or regulation
 21 of the Administration regarding the foreclosure and
 22 liquidation of loans under this section, or has vio-
 23 lated any other applicable provision of law.

24 “(e) REPORT.—

1 “(1) IN GENERAL.—The Administration shall
 2 annually submit to the Committees on Small Busi-
 3 ness of the House of Representatives and the Senate
 4 a report on the results of the delegation of authority
 5 to qualified State and local development companies
 6 to liquidate and foreclose loans under this section.

7 “(2) INFORMATION INCLUDED.—Each report
 8 under this paragraph shall include information, with
 9 respect to each qualified State or local development
 10 company authorized to foreclose and liquidate loans
 11 under this section, and in the aggregate, relating
 12 to—

13 “(A) the total dollar amount of each loan
 14 liquidated and the total cost of each project fi-
 15 nanced with that loan;

16 “(B) the total dollar amount guaranteed
 17 by the Administration;

18 “(C) total dollar losses;

19 “(D) total recoveries both as a percentage
 20 of the amount guaranteed and the total cost of
 21 the project financed; and

22 “(E) a comparison between—

23 “(i) the information described in sub-
 24 paragraphs (A) through (D) with respect
 25 to loans foreclosed and liquidated by quali-

1 fied State and local development companies
 2 under this section during the 3-year period
 3 preceding the date on which the report is
 4 submitted; and

5 “(ii) the same information with re-
 6 spect to loans foreclosed and liquidated by
 7 the Administration during that period.”.

8 (b) REGULATIONS.—

9 (1) IN GENERAL.—Not later than 120 days
 10 after the date of enactment of this Act, the Adminis-
 11 trator of the Small Business Administration shall
 12 promulgate such regulations as may be necessary to
 13 carry out section 510 of the Small Business Invest-
 14 ment Act of 1958, as added by subsection (a) of this
 15 section.

16 (2) ELIMINATION OF PILOT PROGRAM.—Effec-
 17 tive on the date on which final regulations are pro-
 18 mulgated under paragraph (1), section 204 of the
 19 Small Business Programs Improvement Act of 1996
 20 (15 U.S.C. 695 note) is repealed.

21 **SEC. 6. SMALL BUSINESS FEDERAL CONTRACT SET-ASIDES.**

22 Section 15(h) of the Small Business Act (15 U.S.C.
 23 644(h)) is amended—

24 (1) by redesignating paragraphs (2) and (3) as
 25 paragraphs (3) and (4), respectively;

1 (2) by inserting after paragraph (1) the follow-
2 ing:

3 “(2)(A) Not later than 180 days after the last day
4 of each fiscal year, based on the reports submitted under
5 paragraph (1) for that fiscal year, the Administration
6 shall submit to the Committees on Small Business of the
7 House of Representatives and the Senate a report, which
8 shall include—

9 “(i) the information required by paragraph (3);

10 “(ii) a detailed description of the procurement
11 data that is included in the reports submitted under
12 paragraph (1) for that fiscal year, which shall iden-
13 tify—

14 “(I) any data on contracts from Federal
15 agencies that is excluded from those reports, ac-
16 companied by an explanation for such exclusion;
17 and

18 “(II) each Federal agency that has submit-
19 ted a report that deviates from the require-
20 ments of paragraphs (3) and (4), accompanied
21 by an explanation of the reasons for each such
22 deviation;

23 “(iii) a detailed description of any change in
24 statistical methodology used by any Federal agency
25 that is reflected in any statistic in the report submit-

1 ted under paragraph (1) for that fiscal year, includ-
2 ing any inclusion or exclusion of the value of any
3 contracts or types of contracts in any statistic rep-
4 resented by the Federal agency in the report submit-
5 ted under paragraph (1) as the total value of con-
6 tracts or subcontracts awarded by the Federal agen-
7 cy or as the total value of contracts or subcontracts
8 awarded to small business concerns; and

9 “(iv) with respect to each change in statistical
10 methodology by a Federal agency described in clause
11 (iii), a separate calculation (which shall be provided
12 to the Administration by the Federal agency) of the
13 total value of contracts for that fiscal year, using the
14 statistical methodology used by the Federal agency
15 during each of the 2 preceding fiscal years.

16 “(B)(i) Not less than 45 days before issuing any
17 waiver or permissive letter allowing any Federal agency
18 or group of agencies to make any change in statistical
19 methodology described in subparagraph (A)(iii), the Ad-
20 ministration shall submit to the Committees on Small
21 Business of the House of Representatives and the Senate,
22 and to the Chief Counsel for Advocacy of the Administra-
23 tion, a copy of that waiver or letter.

24 “(ii) Not later than 30 days after the submission of
25 a waiver or letter under clause (i), the Chief Counsel for

1 Advocacy of the Administration shall submit to the Com-
 2 mittees on Small Business of the House of Representatives
 3 and the Senate, and to each affected Federal agency, the
 4 written comments of the Chief Counsel regarding the ap-
 5 propriateness of the decision of the Administration to
 6 issue the waiver or letter.”; and

7 (3) in paragraph (4), as redesignated, by strik-
 8 ing “paragraph (2)” and inserting “paragraphs (2)
 9 and (3)”.

10 **SEC. 7. ASSISTANCE FOR VETERANS.**

11 (a) DEFINITIONS.—Section 3 of the Small Business
 12 Act (15 U.S.C. 632) is amended by adding at the end the
 13 following:

14 “(q) DEFINITIONS RELATING TO VETERANS.—In
 15 this Act:

16 “(1) SERVICE-DISABLED VETERAN.—The term
 17 ‘service-disabled veteran’ means a veteran with a
 18 disability that is service-connected (as defined in sec-
 19 tion 101(16) of title 38, United States Code).

20 “(2) SMALL BUSINESS CONCERN OWNED AND
 21 CONTROLLED BY SERVICE-DISABLED VETERANS.—
 22 The term ‘small business concern owned and con-
 23 trolled by service-disabled veterans’ means a small
 24 business concern—

1 “(A) not less than 51 percent of which is
2 owned by 1 or more service-disabled veterans
3 or, in the case of any publicly owned business,
4 not less than 51 percent of the stock of which
5 is owned by 1 or more service-disabled veterans;
6 and

7 “(B) the management and daily business
8 operations of which are controlled by 1 or more
9 service-disabled veterans.

10 “(3) SMALL BUSINESS CONCERN OWNED AND
11 CONTROLLED BY VETERANS.—The term ‘small busi-
12 ness concern owned and controlled by veterans’
13 means a small business concern—

14 “(A) not less than 51 percent of which is
15 owned by 1 or more veterans or, in the case of
16 any publicly owned business, not less than 51
17 percent of the stock of which is owned by 1 or
18 more veterans; and

19 “(B) the management and daily business
20 operations of which are controlled by 1 or more
21 veterans.

22 “(4) VETERAN.—The term ‘veteran’ has the
23 meaning given the term in section 101(2) of title 38,
24 United States Code.”.

1 (b) OFFICE OF VETERANS BUSINESS DEVELOP-
2 MENT.—

3 (1) ASSOCIATE ADMINISTRATOR FOR VETERANS
4 BUSINESS DEVELOPMENT.—Section 4(b)(1) of the
5 Small Business Act (15 U.S.C. 633(b)(1)) is amend-
6 ed—

7 (A) in the fifth sentence, by striking
8 “four” and inserting “5”; and

9 (B) by inserting after the fifth sentence
10 the following: “One shall be the Associate Ad-
11 ministrator for Veterans Business Development,
12 who shall administer the Office of Veterans
13 Business Development established under section
14 32.”.

15 (2) ESTABLISHMENT OF OFFICE.—The Small
16 Business Act (15 U.S.C. 631 et seq.) is amended—

17 (A) by redesignating section 32 as section
18 33; and

19 (B) by inserting after section 31 the fol-
20 lowing:

21 **“SEC. 32. VETERANS PROGRAMS.**

22 “(a) OFFICE OF VETERANS BUSINESS DEVELOP-
23 MENT.—

24 “(1) ESTABLISHMENT.—There is established in
25 the Administration an Office of Veterans Business

1 Development, which shall be administered by the As-
 2 sociate Administrator for Veterans Business Devel-
 3 opment (in this section referred to as the ‘Associate
 4 Administrator’) appointed under section 4(b)(1).

5 “(2) ASSOCIATE ADMINISTRATOR FOR VETER-
 6 ANS BUSINESS DEVELOPMENT.—The Associate Ad-
 7 ministrator shall be—

8 “(A) a career appointee in the competitive
 9 service or in the Senior Executive Service; and

10 “(B) responsible for the formulation and
 11 execution of the policies and programs of the
 12 Administration that provide assistance to small
 13 business concerns owned and controlled by vet-
 14 erans and small business concerns owned and
 15 controlled by service-disabled veterans.

16 “(b) ADVISORY COMMITTEE ON VETERANS BUSI-
 17 NESS AFFAIRS.—

18 “(1) IN GENERAL.—There is established an ad-
 19 visory committee to be known as the Advisory Com-
 20 mittee on Veterans Business Affairs (in this sub-
 21 section referred to as the ‘Committee’), which shall
 22 serve as an independent source of advice and policy
 23 recommendations to the Administrator (through the
 24 Associate Administrator), to Congress, and to the
 25 President.

1 “(3) MEMBERSHIP.—

2 “(A) IN GENERAL.—The Committee shall
3 be composed of 15 members, each of whom
4 shall be appointed by the Administrator, of
5 whom—

6 “(i) 8 shall be veterans who are own-
7 ers of small business concerns; and

8 “(ii) 7 shall be representatives of na-
9 tional veterans service organizations.

10 “(B) POLITICAL AFFILIATION.—Not more
11 than 8 members of the Committee shall be of
12 the same political party as the President.

13 “(C) PROHIBITION ON FEDERAL EMPLOY-
14 MENT.—No member of the Committee may be
15 an officer or employee of the Federal Govern-
16 ment. If any member of the Committee com-
17 mences employment as an officer or employee of
18 the Federal Government after the date on
19 which the member is appointed to the Commit-
20 tee, the member may continue to serve as a
21 member of the Committee for not more than 30
22 days after the date on which the member com-
23 mences employment as such an officer or em-
24 ployee.

1 “(D) SERVICE TERM.—Each member of
2 the Committee shall serve for a term of 3 years.

3 “(E) VACANCIES.—Not later than 30 days
4 after the date on which a vacancy in the mem-
5 bership of the Committee occurs, the vacancy
6 be filled in the same manner as the original ap-
7 pointment.

8 “(F) CHAIRPERSON.—The Committee shall
9 select a Chairperson from among the members
10 of the Committee. Any vacancy in the office of
11 the Chairperson of the Committee shall be filled
12 by the Committee at the first meeting of the
13 Committee following the date on which the va-
14 cancy occurs.

15 “(G) INITIAL APPOINTMENTS.—Not later
16 than 60 days after the date of enactment of
17 this Act, the Administrator shall appoint the
18 initial members of the Committee.

19 “(3) DUTIES.—The Committee shall—

20 “(A) review, coordinate, and monitor plans
21 and programs developed in the public and pri-
22 vate sectors, that affect the ability of veteran-
23 owned business enterprises to obtain capital
24 and credit;

1 “(B) promote and assist in the develop-
2 ment of business information and surveys relat-
3 ing to veterans;

4 “(C) monitor and promote the plans, pro-
5 grams, and operations of the departments and
6 agencies of the Federal Government that may
7 contribute to the establishment and growth of
8 veteran’s business enterprises;

9 “(D) develop and promote new initiatives,
10 policies, programs, and plans designed to foster
11 veteran’s business enterprises; and

12 “(E) advise and assist in the design of a
13 comprehensive plan, which shall be updated an-
14 nually, for joint public-private sector efforts to
15 facilitate growth and development of veteran’s
16 business enterprises.

17 “(4) POWERS.—

18 “(A) HEARINGS.—The Committee may
19 hold such hearings, sit and act at such times
20 and places, take such testimony, and receive
21 such evidence as the Committee considers advis-
22 able to carry out the duties of the Committee
23 under this subsection.

24 “(B) INFORMATION FROM FEDERAL AGEN-
25 CIES.—The Committee may secure directly

1 from any department or agency of the Federal
2 Government such information as the Committee
3 considers to be necessary to carry out the du-
4 ties of the Committee under this subsection.
5 Upon request of the Chairperson of the Com-
6 mittee, the head of such department or agency
7 shall furnish such information to the Commit-
8 tee.

9 “(C) POSTAL SERVICES.—The Committee
10 may use the United States mails in the same
11 manner and under the same conditions as other
12 departments and agencies of the Federal Gov-
13 ernment.

14 “(D) GIFTS.—The Committee may accept,
15 use, and dispose of gifts or donations of serv-
16 ices or property.

17 “(5) MEETINGS.—

18 “(A) IN GENERAL.—The Committee shall
19 meet not less than biannually at the call of the
20 Chairperson, and otherwise upon the request of
21 the Administrator.

22 “(B) LOCATION.—Each meeting of the full
23 Committee shall be held at the headquarters of
24 the Administration located in Washington, Dis-
25 trict of Columbia. The Administrator shall pro-

1 vide suitable meeting facilities and such admin-
2 istrative support as may be necessary for each
3 meeting of the Committee.

4 “(6) PERSONNEL MATTERS.—

5 “(A) NO COMPENSATION.—Members of the
6 Committee shall serve without compensation for
7 their services to the Committee.

8 “(B) TRAVEL EXPENSES.—The members
9 of the Committee shall be reimbursed for travel
10 and subsistence expenses in the same manner
11 and to the same extent as members of advisory
12 boards and committees under section 8(b)(13).

13 “(c) SCORE PROGRAM.—The Administrator shall
14 enter into a memorandum of understanding with the Serv-
15 ice Core of Retired Executives (in this subsection referred
16 to as ‘SCORE’) participating in the program under sec-
17 tion 8(b)(1)(B) for—

18 “(1) the appointment by SCORE in its national
19 office of a National Veterans Business Coordinator,
20 whose exclusive duties shall be those relating to vet-
21 erans’ business matters, and who shall be respon-
22 sible for the establishment and administration of a
23 program to provide entrepreneurial counseling and
24 training to veterans through the chapters of SCORE
25 throughout the United States;

1 “(2) the establishment and maintenance of a
 2 toll-free telephone number and an Internet website
 3 to provide access for veterans to information about
 4 the entrepreneurial services available to veterans
 5 through SCORE; and

6 “(3) the collection of statistics concerning serv-
 7 ices provided by SCORE to veterans and service-dis-
 8 abled veterans and the inclusion of those statistics in
 9 each annual report published by the Administrator
 10 under section 4(b)(2)(B).

11 “(d) ANNUAL REPORT.—The Administrator shall an-
 12 nually submit to the Committees on Small Business of the
 13 House of Representative and the Senate a report on the
 14 needs of small business concerns owned by controlled by
 15 veterans and small business concerns owned and con-
 16 trolled by service-disabled veterans, which shall include—

17 “(1) the availability of programs of the Admin-
 18 istration for and the degree of utilization of those
 19 programs by those small business concerns during
 20 the preceding 12-month period;

21 “(2) the percentage and dollar value of Federal
 22 contracts awarded to those small business concerns
 23 during the preceding 12-month period; and

1 “(3) proposed methods to improve delivery of
 2 all Federal programs and services that could benefit
 3 those small business concerns.”.

4 (c) OFFICE OF ADVOCACY.—Section 202 of Public
 5 Law 94–305 (15 U.S.C. 634b) is amended—

6 (1) in paragraph (10), by striking “and” at the
 7 end;

8 (2) in paragraph (11), by striking the period at
 9 the end and inserting “; and”; and

10 (3) by adding at the end the following:

11 “(12) evaluate the efforts of each Federal agen-
 12 cy and of private industry to assist small business
 13 concerns owned and controlled by veterans and small
 14 business concerns owned and controlled by service-
 15 disabled veterans, and make appropriate rec-
 16 ommendations to the Administrator and to Congress
 17 in order to promote the establishment and growth of
 18 those small business concerns.”.

19 (d) MICROLOAN PROGRAM.—Section 7(m)(1)(A)(i) of
 20 the Small Business Act (15 U.S.C. 636(m)(1)(A)(i)) is
 21 amended by striking “low-income, and” and inserting
 22 “low-income individuals, veterans,”.

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